

108TH CONGRESS
1ST SESSION

S. 1299

To amend the Trade Act of 1974 to provide trade readjustment and development enhancement for America's communities, and for other purposes.

IN THE SENATE OF THE UNITED STATES

JUNE 19, 2003

Ms. SNOWE (for herself and Ms. MURKOWSKI) introduced the following bill;
which was read twice and referred to the Committee on Finance

A BILL

To amend the Trade Act of 1974 to provide trade readjustment and development enhancement for America's communities, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Trade Readjustment
5 and Development Enhancement for America's Commu-
6 nities Act of 2003”.

7 **SEC. 2. PURPOSE.**

8 The purpose of this Act is to assist communities neg-
9 atively impacted by trade with economic adjustment
10 through the integration of political and economic organiza-

1 tions, the coordination of Federal, State, and local re-
 2 sources, the creation of community-based development
 3 strategies, and the provision of economic transition assist-
 4 ance.

5 **SEC. 3. TRADE READJUSTMENT ASSISTANCE FOR COMMU-**
 6 **NITIES.**

7 Chapter 4 of title II of the Trade Act of 1974 (19
 8 U.S.C. 2371 et seq.) is amended to read as follows:

9 **“CHAPTER 4—COMMUNITY TRADE READ-**
 10 **JUSTMENT AND DEVELOPMENT EN-**
 11 **HANCEMENT**

12 **“SEC. 271. DEFINITIONS.**

13 “In this chapter:

14 “(1) **AFFECTED DOMESTIC PRODUCER.**—The
 15 term ‘affected domestic producer’ means any manu-
 16 facturer, producer, farmer, rancher, fisherman or
 17 worker representative (including associations of such
 18 persons) that was affected by a finding under the
 19 Antidumping Act of 1921, or by an antidumping or
 20 countervailing duty order issued under title VII of
 21 the Tariff Act of 1930.

22 “(2) **AGRICULTURAL COMMODITY PRODUCER.**—
 23 The term ‘agricultural commodity producer’ has the
 24 same meaning as the term ‘person’ as prescribed by

1 regulations promulgated under section 1001(5) of
 2 the Food Security Act of 1985 (7 U.S.C. 1308(5)).

3 “(3) COMMUNITY.—The term ‘community’
 4 means a city, county, or other political subdivision of
 5 a State or a consortium of political subdivisions of
 6 a State that the Secretary certifies as being nega-
 7 tively impacted by trade.

8 “(4) ELIGIBLE COMMUNITY.—The term ‘eligible
 9 community’ means a community certified under sec-
 10 tion 273 as eligible for assistance under this chap-
 11 ter.

12 “(5) FISHERMAN.—

13 “(A) IN GENERAL.—The term ‘fisherman’
 14 means any person who—

15 “(i) is engaged in commercial fishing;

16 or

17 “(ii) is a United States fish processor.

18 “(B) COMMERCIAL FISHING, FISH, FISH-
 19 ERY, FISHING, FISHING VESSEL, PERSON, AND
 20 UNITED STATES FISH PROCESSOR.—The terms
 21 ‘commercial fishing’, ‘fish’, ‘fishery’, ‘fishing’,
 22 ‘fishing vessel’, ‘person’, and ‘United States fish
 23 processor’ have the same meanings as such
 24 terms have in the Magnuson-Stevens Fishery

1 Conservation and Management Act (16 U.S.C.
2 1802).

3 “(6) JOB LOSS.—The term ‘job loss’ means the
4 total or partial separation of an individual, as those
5 terms are defined in section 247.

6 “(7) SECRETARY.—The term ‘Secretary’ means
7 the Secretary of Commerce.

8 **“SEC. 272. COMMUNITY TRADE READJUSTMENT PROGRAM.**

9 “(a) ESTABLISHMENT.—Not later than 6 months
10 after the date of enactment of the Trade Readjustment
11 and Development Enhancement for America’s Commu-
12 nities Act of 2003, the Secretary shall promulgate regula-
13 tions to carry out the provisions of that Act.

14 “(b) PERSONNEL.—The Secretary shall designate
15 such staff as may be necessary to carry out the respon-
16 sibilities described in this chapter.

17 “(c) COORDINATION OF FEDERAL RESPONSE.—The
18 Secretary shall—

19 “(1) provide leadership, support, and coordina-
20 tion for a comprehensive management program to
21 address economic dislocation in eligible communities;

22 “(2) coordinate the Federal response to an eli-
23 gible community—

24 “(A) by identifying all Federal, State, and
25 local resources that are available to assist the

1 eligible community in recovering from economic
2 distress;

3 “(B) by ensuring that all Federal agencies
4 offering assistance to an eligible community do
5 so in a targeted, integrated manner that en-
6 sures that an eligible community has access to
7 all available Federal assistance;

8 “(C) by assuring timely consultation and
9 cooperation between Federal, State, and re-
10 gional officials concerning community economic
11 adjustment; and

12 “(D) by identifying and strengthening ex-
13 isting agency mechanisms designed to assist
14 communities in economic adjustment and work-
15 force reemployment;

16 “(3) provide comprehensive technical assistance
17 to any eligible community in the efforts of that com-
18 munity to—

19 “(A) identify serious economic problems in
20 the community that are the result of negative
21 impacts from trade;

22 “(B) integrate the major groups and orga-
23 nizations significantly affected by the economic
24 adjustment;

1 “(C) access Federal, State, and local re-
2 sources designed to assist in economic develop-
3 ment and trade adjustment assistance;

4 “(D) diversify and strengthen the commu-
5 nity economy; and

6 “(E) develop a community-based strategic
7 plan to address economic development and
8 workforce dislocation, including unemployment
9 among agricultural commodity producers, and
10 fishermen;

11 “(4) establish specific criteria for submission
12 and evaluation of a strategic plan submitted under
13 section 274(d);

14 “(5) administer the grant programs established
15 under sections 274 and 275; and

16 “(6) establish an interagency Community Trade
17 Readjustment and Development Enhancement
18 Working Group, consisting of the representatives of
19 any Federal department or agency with responsi-
20 bility for economic adjustment assistance, including
21 the Department of Agriculture, the Department of
22 Education, the Department of Labor, the Depart-
23 ment of Housing and Urban Development, the De-
24 partment of Health and Human Services, the Small
25 Business Administration, the Department of the

1 Treasury, the Department of Commerce, and any
 2 other Federal, State, or regional department or
 3 agency the Secretary determines necessary or appro-
 4 priate.

5 “(d) WORKING GROUP.—The working group estab-
 6 lished under subsection (c)(6) shall examine other options
 7 for addressing trade impacts on communities.

8 **“SEC. 273. CERTIFICATION AS AN ELIGIBLE COMMUNITY.**

9 “(a) APPLICATION.—A community may apply for as-
 10 sistance under this chapter at such time, in such manner,
 11 and accompanied by such information as the Secretary,
 12 by regulation, may prescribe.

13 “(b) CERTIFICATION.—

14 “(1) IN GENERAL.—The Secretary shall deter-
 15 mine if the community that files an application
 16 under subsection (a) is negatively impacted by trade
 17 and if a positive determination is made, shall certify
 18 the community as eligible for assistance under this
 19 chapter.

20 “(2) DETERMINATION.—A determination that a
 21 community is negatively impacted by trade and eligi-
 22 ble for assistance under this chapter shall be made
 23 based on the job loss in the community compared to
 24 the size of the workforce in that community, if—

1 “(A) the Secretary of Labor has certified
 2 a group of workers (or their authorized rep-
 3 resentative) in the community as eligible for as-
 4 sistance pursuant to section 223;

5 “(B) the Secretary of Commerce has cer-
 6 tified a firm located in the community as eligi-
 7 ble for assistance under section 251;

8 “(C) the Secretary of Agriculture has cer-
 9 tified a group of agricultural producers (or their
 10 authorized representative) in the community as
 11 eligible for assistance under section 293;

12 “(D) an affected domestic producer is lo-
 13 cated in the community; or

14 “(E) the Secretary determines that a sig-
 15 nificant number of fishermen in the community
 16 has been negatively impacted by trade.

17 **“SEC. 274. STRATEGIC PLANS.**

18 “(a) IN GENERAL.—An eligible community may de-
 19 velop a strategic plan for community economic adjustment
 20 and diversification.

21 “(b) REQUIREMENTS FOR STRATEGIC PLAN.—A
 22 strategic plan shall contain, at a minimum, the following:

23 “(1) A description and justification of the ca-
 24 pacity for economic adjustment, including the meth-
 25 od of financing to be used.

1 “(2) A description of the commitment of the
2 community to the strategic plan over the long term
3 and the participation and input of groups affected
4 by economic dislocation.

5 “(3) A description of the projects to be under-
6 taken by the eligible community.

7 “(4) A description of how the plan and the
8 projects to be undertaken by the eligible community
9 will lead to job creation and job retention in the
10 community.

11 “(5) A description of how the plan will achieve
12 economic adjustment and diversification.

13 “(6) A description of how the plan and the
14 projects will contribute to establishing or maintain-
15 ing a level of public services necessary to attract and
16 retain economic investment.

17 “(7) A description and justification for the cost
18 and timing of proposed basic and advanced infra-
19 structure improvements in the eligible community.

20 “(8) A description of how the plan will address
21 the occupational and workforce conditions in the eli-
22 gible community.

23 “(9) A description of the educational programs
24 available for workforce training and future employ-
25 ment needs.

1 “(10) A description of how the plan will adapt
2 to changing markets and business cycles.

3 “(11) A description and justification for the
4 cost and timing of the total funds required by the
5 community for economic assistance.

6 “(12) A graduation strategy through which the
7 eligible community demonstrates that the community
8 will terminate the need for Federal assistance.

9 “(c) GRANTS TO DEVELOP STRATEGIC PLANS.—The
10 Secretary, upon receipt of an application from an eligible
11 community, may award a grant to that community to be
12 used to develop the strategic plan.

13 “(d) SUBMISSION OF PLAN.—A strategic plan devel-
14 oped under subsection (a) shall be submitted to the Sec-
15 retary for evaluation and approval.

16 **“SEC. 275. TRADE GRANTS.**

17 “(a) IN GENERAL.—The Secretary, upon approval of
18 a strategic plan from an eligible community, may award
19 a grant to that community to carry out any project or
20 program that is certified by the Secretary to be included
21 in the strategic plan approved under section 274(d), or
22 consistent with that plan, that takes into consideration the
23 relative needs of the eligible community and gives priority
24 to allocating resources based on—

1 “(1) the severity of the rates of unemployment
 2 in the eligible community and the duration of the
 3 unemployment in that community;

4 “(2) the income levels and the extent of under-
 5 employment in the eligible community; and

6 “(3) the outmigration of population from the el-
 7 igible community and the extent to which the out-
 8 migration is causing economic injury in the eligible
 9 community.

10 “(b) RURAL COMMUNITY PREFERENCE.—The Sec-
 11 retary shall develop guidelines to ensure that rural com-
 12 munities receive preference in the allocation of resources.

13 “(c) SUPPLEMENTAL GRANTS.—

14 “(1) DESIGNATED FEDERAL GRANT PRO-
 15 GRAM.—In this subsection, the term ‘designated
 16 Federal grant program’ means any Federal grant
 17 program that—

18 “(A) provides technical or other assistance
 19 for planning, constructing, or equipping public
 20 works, public service, or development facilities;
 21 and

22 “(B) is designated for allocation to an eli-
 23 gible community by the Secretary to fund a
 24 project eligible for assistance under this chap-
 25 ter.

1 “(2) SUPPLEMENTAL GRANTS.—Subject to
 2 paragraph (3), in order to assist eligible commu-
 3 nities to obtain funds under Federal grant pro-
 4 grams, other than grants under section 274(c) or
 5 subsection (a), the Secretary, on the application of
 6 an eligible community, may make a supplemental
 7 grant from a designated Federal grant program for
 8 a project for which the eligible community is eligible,
 9 except for the community’s inability to meet the
 10 non-Federal share requirements of the program.

11 “(3) USE AS NON-FEDERAL SHARE.—A supple-
 12 mental grant made under this subsection may be
 13 used as the eligible community’s non-Federal share
 14 of a designated Federal grant program, provided
 15 that, unless otherwise permitted by law or regula-
 16 tion, the total Federal contribution to the project
 17 does not exceed 80 percent.

18 **“SEC. 276. GENERAL PROVISIONS.**

19 “(a) REGULATIONS.—Before implementing any regu-
 20 lation or guideline proposed with respect to this chapter,
 21 the Secretary shall submit the regulation or guideline to
 22 the Committee on Finance of the Senate and the Com-
 23 mittee on Ways and Means of the House of Representa-
 24 tives.

(a) **TERMINATION.**—Section 285(b) of the Trade Act of 1974 (19 U.S.C. 2271 note) is amended by adding at the end the following new paragraph:

(b) TABLE OF CONTENTS.—The table of contents for title II of the Trade Act of 1974 is amended by striking the items relating to chapter 4 of title II and inserting after the items relating to chapter 3 the following new items:

“Sec. 271. Definitions.
“Sec. 272. Community Trade Readjustment Program.
“Sec. 273. Certification as an eligible community.
“Sec. 274. Strategic plans.
“Sec. 275. TRADE Grants.
“Sec. 276. General provisions.”.

•S 1299 IS

1 **SEC. 5. REPEAL OF OFFSET PROGRAM.**

2 (a) IN GENERAL.—Section 754 of the Tariff Act of
3 1930 (19 U.S.C. 1675c) is repealed.

4 (b) CONFORMING AMENDMENT.—The table of con-
5 tents for title VII of the Tariff Act of 1930 is amended
6 by striking the item relating to section 754.

7 (c) EFFECTIVE DATE.—The amendments made by
8 this section shall take effect on October 1, 2003. Any
9 funds remaining in the special accounts established pursu-
10 ant to section 754(e) of the Tariff Act of 1930 on the
11 day before such effective date shall be transferred to the
12 Community Trade Readjustment and Development En-
13 hancement Trust Fund for use in accordance with section
14 299 of the Trade Act of 1974, as added by section 6 of
15 this Act.

16 **SEC. 6. ESTABLISHMENT OF COMMUNITY TRADE READ-**
17 **JUSTMENT AND DEVELOPMENT ENHANCE-**
18 **MENT TRUST FUND.**

19 (a) IN GENERAL.—Title II of the Trade Act of 1974
20 (19 U.S.C. 2251 et seq.) is amended by adding at the end
21 the following new chapter:

1 **“CHAPTER 7—COMMUNITY TRADE READ-**
2 **JUSTMENT AND DEVELOPMENT EN-**
3 **HANCEMENT TRUST FUND**

4 **“SEC. 299. COMMUNITY TRADE READJUSTMENT AND DE-**
5 **VELOPMENT ENHANCEMENT TRUST FUND.**

6 “(a) ESTABLISHMENT.—There is hereby established
7 within the Treasury of the United States a Trust Fund
8 to be known as the Community Trade Readjustment and
9 Development Enhancement Trust Fund (in this section
10 referred to as the ‘Trust Fund’), consisting of such
11 amounts as may be transferred or credited to the Trust
12 Fund as provided in this section or otherwise appropriated
13 to the Trust Fund.

14 “(b) TRANSFER.—

15 “(1) IN GENERAL.—The Secretary of the
16 Treasury shall transfer to the Trust Fund any funds
17 remaining in the special accounts established pursu-
18 ant to section 754(e) on the day before the effective
19 date of this section and shall transfer to the Trust
20 Fund out of the general fund of the Treasury of the
21 United States amounts determined by the Secretary
22 of the Treasury to be equivalent to the amounts re-
23 ceived into such general fund after such effective
24 date that are attributable to the duties imposed pur-
25 suant to a finding under the Antidumping Act of

1 1921, or an antidumping or countervailing duty
 2 order under title VII of the Tariff Act of 1930 (19
 3 U.S.C. 1671 et seq.).

4 “(2) QUARTERLY TRANSFERS FROM THE
 5 TREASURY BASED ON ESTIMATES.—The amounts
 6 which are required to be transferred under para-
 7 graph (1) shall be transferred at least quarterly
 8 from the general fund of the Treasury of the United
 9 States to the Trust Fund on the basis of estimates
 10 made by the Secretary of the Treasury of the
 11 amounts referred to in paragraph (1) that are re-
 12 ceived into the Treasury. Proper adjustments shall
 13 be made in the amounts subsequently transferred to
 14 the extent prior estimates were in excess of, or less
 15 than, the amounts required to be transferred.

16 “(c) TRUST FUND.—

17 “(1) TRUSTEE AND REPORT.—The Secretary of
 18 the Treasury shall be the trustee of the Trust Fund,
 19 and shall submit an annual report to the Committee
 20 on Finance of the Senate and the Committee on
 21 Ways and Means of the House of Representatives—

22 “(A) on the financial condition and the re-
 23 sults of the operations of the Trust Fund dur-
 24 ing the fiscal year preceding the fiscal year in
 25 which such report is submitted, and

1 “(B) on the expected condition and oper-
 2 ations of the Trust Fund during the fiscal year
 3 in which such report is submitted and the 5 fis-
 4 cal years succeeding such fiscal year.

5 “(2) INVESTMENT.—

6 “(A) IN GENERAL.—The Secretary of the
 7 Treasury shall invest such portion of the Trust
 8 Fund as is not, in the Secretary’s judgment, re-
 9 quired to meet current withdrawals. Such in-
 10 vestments may be made only in interest-bearing
 11 obligations of the United States. For such pur-
 12 pose, such obligations may be acquired—

13 “(i) on original issue at the issue
 14 price, or

15 “(ii) by purchase of outstanding obli-
 16 gations at the market price.

17 “(B) ABILITY TO SELL OBLIGATIONS.—
 18 Any obligation acquired by the Trust Fund may
 19 be sold by the Secretary of the Treasury at the
 20 market price.

21 “(C) INTEREST.—The interest on, and the
 22 proceeds from, the sale or redemption of any
 23 obligations held in the Trust Fund shall be
 24 credited to and form a part of the Trust Fund.

25 “(d) USE OF FUNDS.—

1 “(1) IN GENERAL.—Amounts in the Trust
2 Fund shall only be available for the payment of re-
3 adjustment assistance to communities pursuant to
4 chapter 4 of this title.

5 “(2) ALLOCATION OF AMOUNTS IN TRUST
6 FUND.—Amounts in the Trust Fund shall be used
7 to carry out chapter 4 of this title, including any ad-
8 ministrative costs necessary to carry out such chap-
9 ter.

10 “(3) SUPPLEMENT.—Funds appropriated pur-
11 suant to the authority of this section shall be used
12 to supplement and not supplant other Federal,
13 State, and local public funds expended to provide re-
14 adjustment assistance pursuant to this title.”.

15 (b) CONFORMING AMENDMENT.—The table of con-
16 tents for title II of the Trade Act of 1974 is amended
17 by inserting after the items relating to chapter 6, the fol-
18 lowing:

“CHAPTER 7—COMMUNITY TRADE READJUSTMENT AND DEVELOPMENT
ENHANCEMENT TRUST FUND

“Sec. 299. Community Trade Readjustment and Development Enhancement
Trust Fund.”.

19 **SEC. 7. EFFECTIVE DATE.**

20 The provisions of this Act shall take effect on October
21 1, 2003.

